



# **CALIFORNIA WATER PLAN: UPDATE 2013**

## **PUBLIC ADVISORY COMMITTEE (AC) MEETING**

### **DRAFT SUMMARY**

**JUNE 29, 2011**

**CAL EPA HEADQUARTERS BUILDING  
COASTAL HEARING ROOM- 2<sup>ND</sup> FLOOR  
1001 I STREET  
SACRAMENTO, CA**

#### **WELCOME AND OPENING REMARKS**

Kamyar Guivetchi, Manager of the Division of Statewide Integrated Water Management, welcomed Public Advisory Committee, remarking on the great turnout. He expressed his appreciation for everyone's involvement, especially given busy schedules. Highlighting the keynote speaker, Heather Fargo, Strategic Growth Council, Mr. Guivetchi noted that the work of the Water Plan is being used as a model for how state government can and should work together.

Lewis Moeller provided a recap of recent activities, including two Finance Caucus meetings. Members of the Public AC have also been working with the Project Team on scenarios and response packages. Also, efforts are continuing on the Land Use decision model. Mr. Moeller noted that the first round of Regional Forums were underway, with a broadened scope beyond the Water Plan. He briefly reviewed the timeline and major deliverables, noting that next out is the draft assumptions and estimations report. Work is ongoing for the Resource Management Strategies, water portfolio data and state companion plans. The proposed schedule for the Public AC meetings was also introduced.

Lisa Beutler, MWH Meeting Facilitator, did a round of introductions and reviewed the meeting agenda and materials.

#### **REGIONAL UPDATE**

Judie Talbot, Regional Facilitator, explained that three Regional Forums have been held to date. These are supporting development of the 12 Regional Reports – one for each of the 10 hydrologic regions, plus two areas of interest: the Delta, and Mountain Counties. The Regional Reports tell the water story for each region, including existing conditions, inter-regional relationships, water management strategies, and recommendations.

Each Forum is planned with local stakeholders, resulting in customized agendas and meeting format. The San Francisco Bay Forum used a central location where for their meeting. In the South Coast, the Forum linked several satellite locations through webex. Each location was staffed and conducted their own breakout discussions in each setting. Participants felt that the meetings went well. While there was room for technology improvements, the content was good. Forum information is being distributed to local interests through twelve regional email listservs.

Ms. Talbot commented that these first Forums acted as pilot projects, asking participants for feedback to help improve the sessions. The Water Plan is proceeding with convening Design Teams to help plan the next group of Forums. The Forums are working with multiple interests, including IRWM representatives, to reflect the range of water management and planning efforts.

## **TOTAL RESOURCE MANAGEMENT**

John Lowrie, Assistant Director of the Department of Conservation, spoke about ecological services and their relationship to resource management. This correlates with the transition from integrated water management to integrated natural resource management. In 2010, Lester Snow hosted a one-day conference on integrated natural resource management, which is a topic that Mr. Lowrie is drawn to.

Watersheds are places where people can start to see the interactions between functions of the ecosystem. Ecosystem services are synonymous with resource management goals and objectives, such as: purification of air and water, mitigation of floods and droughts, provision of habitat, pollination, and soil stabilization. Some ecosystem services are difficult to place a value on, including: protection from ultraviolet rays, stabilization of climate, and beauty and spiritual sustenance. Many ecosystem services are priceless and comprise complex systems that have no engineering substitute.

Comprehensive approaches are needed for total resource management – embracing physical, chemical, and biological elements. They all fit together, you cannot have one without the other. Ecosystems are dynamic and constantly changing. These systems need to be managed for resiliency. Change itself is critical to ecosystem dynamics, an inevitable and necessary element in natural systems.

Mr. Lowrie provided an example of integrated resource management at a regional scale, using a model from Redlands, California. The model illustrates the regional systems as supported by four contributing systems – the ecosystem, infrastructure, economic system and public services. The move towards sustainable societies will require planning processes characterized by public involvement, inclusiveness, transparency, and integration.

## **ECOSYSTEM SERVICES**

Michael Perrone, DWR, presented on economics and engineering in ecosystem services. His desire is to ecosystem services addressed in the finance strategy for Update 2013. One approach for valuing ecosystem services is to look at technical projects which provide similar benefits. Examples of this include fish hatcheries, erosion control system, water treatment, and groundwater recharge projects. Mr. Perrone asked for assistance in determining costs for technical approaches, which serve as a surrogate for the value of ecosystem services. Subsequently, when intact ecosystems can provide benefits, there is a savings of avoided costs for technical projects and programs.

### Questions and Comments

- This will be a topic of great interest for those involved with regulatory actions, and the concept of avoided costs.
- Both natural and manmade infrastructure and manmade systems are inextricably linked. How do you capture the value of that? How are you capturing redirect impacts caused by not replacing infrastructure? (Noted that this was beyond the current scope.)

- How do we move from integrated water management to integrated resource management?
- Leverage the work of the CA Water Commission's efforts to quantify public benefits for water storage systems.
- There are many efforts across different venues that are working to value ecosystem services. Some are associated with rangelands or protected lands.
- Look at the value of wetlands in terms of water quality improvements.
- Water is treated to meet public health standards. In some cases, ecosystem benefits do not meet the same standards. Conversely, fish hatcheries fall short of replicating nature. The avoided costs are not at the same level.
- Opportunity costs are another element to consider.
- There are also avoided energy costs.

## Worksheet Report Out

Meeting participants were referred to a worksheet, asking for: 1) initial thoughts regarding a stronger emphasis on total resource management in Update 2013, and 2) other considerations regarding valuation of ecosystem services. The results of table-level discussions were then reported out.

Table 1:

- Look at how ecosystem services translate to the economy.
- How well has the Water Plan dealt with IRWM?
- At what point does each update of the CWP become its own entity?
- How do timelines work when trying to work in the policy world and long term plans?

Table 2:

- Update 2009 already considered many of the environmental services elements. Total resource management may dilute IRWM efforts.
- The avoided costs approach is good in theory, but it will be challenging to implement.
- The League of Women Voters has a similar approach.
- Why are we doing this? What is the purpose? Will it assist in legislative decision making?
- There are concern that the numbers/values have the potential for misuse
- Economic analysis should be a long term goal.

Table 3

- There are other efforts going on in the state. Look at similar concepts
- The value in addressing this through the Water Plan, is to develop a useful and implementable tool to assist decision-makers
- Move to a more detailed level of information on how to integrate these services.
- Low impact approaches makes sense for developers.
- The term ecosystem services may be problematic

Table 4

- The approach is worth consideration; it is valuable to weigh in on it.
- Words matter. “Total” implies total, you need to mean it. If energy and socio-economic considerations are not a part of the package, it’s not total.
- Moving towards implementation will involve discussions about baselines, metrics, etc.
- Don’t have all of the resources in this room to address this. There may be a need for a core team of experts.

Table 5

- There isn’t much new in Total Resource Management. It would be good to keep the focus on IRWM.
- Total Resource Management will require a different process and different agencies.
- Would like small change but not focus or basic approach.
- There are regional costs and benefits that were not addressed. Willingness to pay is another approach that can be used.
- Regional distribution.

Table 6

- There is more work that needs to be done in integrated water management, which should not be lost.
- Look at phasing different levels of effort.
- There is still a lot of dialogue about what ecosystem services are. Don’t get too far ahead.
- Specific examples, and defining them more narrowly, could be helpful\
- Provide a balanced, phased approach.

Public Comment: The idea of TOTAL is not a new idea. The federal government has recently changed their name (from Soil Conservation Service to Natural Resource Conservation Service), emphasizing total resource conservation efforts. Most policy people understand landfills or water, but issues like this are much more complex.

## **WATER QUALITY**

Jose Alarcon, DWR Water Quality lead, announced that a new Water Quality Caucus will be forming. Anyone interested in serving as a co-lead should contact Mr. Alarcon.

Comment: The list of Water Quality deliverables includes drinking water treatment facilities. Many disadvantaged communities are facing critical water quality issues, including affordability.

Response: Update 2013 will include a major revision to the 2005 report on “Californians without Safe Drinking Water.”

## **INTEGRATED FLOOD MANAGEMENT IN THE WATER PLAN**

Terri Wegener, Manager for Statewide Flood Management, discussed the purpose of the Statewide Integrated Flood Planning Program – looking at how integrated flood management fits into California’s water future, and how it fits in the Water Plan. A major program deliverable is

the Flood Future Report, a joint report with the US Army Corps of Engineers. There is a desire to improve partnerships at all government levels.

Flood risks vary throughout the state, reflecting different types of floods. The Flood Future Report will characterize flood risks and document the condition of flood infrastructure. There will also be a discussion about flood financing strategies. The report will conclude with recommendations addressing policy and specific flood action managements.

Integrated flood management will be expanded in Update 2013 – appearing in the strategic plan, regional reports, the flood risk management strategy, and the new finance framework. Members who are interested in serving on the Flood Caucus should contact Ms. Wegener.

Comment: Damage to natural resources should be included in as a flood risk.

### **LUNCHEON SPEAKER: Heather Fargo, Strategic Growth Council**

Kamyar Guivetchi introduced Heather Fargo, Executive Policy Officer of the Strategic Growth Council. Ms. Fargo recapped the events leading to the formation of the Council. In 2006, AB 32, the Global Warming Solutions Act of 2006, was enacted. That same year, California voters passed Proposition 84, providing grant funding for various water, flood, river and coastal protection efforts. Two years later, the Legislature passed SB 375, the Sustainable Communities and Climate Protection Act of 2008. A companion bill, SB 732, established a Strategic Growth Council (SGC) to coordinate the actions and programs of member state agencies in meeting AB 32 goals. The SGC was established in 2009, comprised of six appointees – 5 members representing different state agencies and one public member. The Council is completely funded by Prop 84.

The SGC is tasked with coordinating state agency efforts to::

- Improve air and water quality
- Protect natural resources and agriculture lands
- Increase the availability of affordable housing
- Promote public health
- Improve transportation
- Encourage greater infill and compact development
- Revitalize community and urban centers
- Assist state and local entities in the planning of sustainable communities and meeting AB 32 goals

### **APPROACH FOR UPDATING THE RESOURCE MANAGEMENT STRATEGIES**

Megan Fidell, DWR, presented an overview of the RMS approach for Update 2013. She noted that an RMS includes projects, programs or policies that help local agencies and governments manage their water and related resources. Update 2005 described 24 RMS, with three more RMSs added to Update 2009. For Update 2013, most of the RMS chapters will receive a light revise and update. A small number of RMSs will undergo more significant revisions. Lew Moeller noted that new work will be done with the RMSs in the Regional Reports.

Meeting participants were asked to discuss and describe any suggested improvements to the RMS strategy outline. The following comments were reported:

Table 1:

- Groundwater needs to be clearly addressed. Perhaps replace the Conjunctive Use RMS with a Groundwater RMS.
- It may be necessary to create a new bucket to address overarching and guiding principles addressing equity, public outreach and education, and cost and pricing that is more systems based.
- Strategic discussion is needed about the applicability of scale. As we were talking about the slow food movement, we could talk about the slow water movement.

Table 2:

- Mention EIR challenges.
- Look at new information, legislation, technical advances that affect RMS chapters
- Focus on regional reports and IRWM information
- Conjunctive management chapter may need natural resource enhancements

Table 3

- Ag water use efficiency RMS – soft peddle this until GW monitoring comes in
- Conjunctive management and GW storage RMS – consider water banking complications
- Surface storage RMS – note there is no more Cal Fed
- Drinking water RMS – include EJ concerns
- WQ RMS – discuss sediment, trash
- Resource stewardship RMS – this didn't seem to fit the rest of the strategies
- Watershed management encompasses resource restoration.
- For the land use-RMS, consider adding the effects of today's recession and tomorrow's economic recovery

Table 4

- Importance of including the forest management RMS
- Split up desal into ocean and brackish desal, list the desal projects
- New RMS on rainwater capture
- Put recharge area protection under land-use planning and management. Discuss the problems between various agencies and give them a heads up

Table 5

- Provide direct funding to locals
- Incentivize counties to better compliance
- Improve existing water systems
- Discuss improvements in remote sensing

## SCENARIOS

Mr. Jurich, DWR Data and Analysis Lead, provided an overview of the plans to integrate scenarios into Update 2013. The goal is to support decision-making in the presence of uncertainties. This includes how factors such as climate, land use, and population affect water demand. Over the next few years, the Water Plan will conduct an initial evaluation of how resource management strategies (RMSs) perform to help meet changes in demand. The evaluation will assess RMS benefits, costs, and trade-offs.

These efforts involve Water Evaluation and Planning (WEAP) modeling that links hydrology and water management. The model uses monthly data as inputs for precipitation, conditions of water features (rivers, groundwater basins, reservoirs, etc.), and demand levels for indoor, irrigation, and landscaping water use. This provides an integrative approach to assess and report on alternative future conditions, and to provide high-level information on RMS performance.

Data collection is essential for this type of analysis. The Water Plan is always seeking additional partners who can expand on what has been done to date. The initial evaluation of RMS strategies will focus on the regions in the Central Valley – the Sacramento River, Tulare Lake, and San Joaquin River regions – where significant data has already been collected by different efforts. This is intended to assist local policy makers in the decision process.

Meeting participants were asked to work at their tables and provide feedback on two items:

1. Describe the 3 most important target audiences for the scenarios and response packages.
2. For each audience, describe the questions they will want the scenario models to answer.

It was clarified that the Water Plan scenarios represent plausible futures – not predicted futures.

## Group Reports

Table 1

- The definition of plausible futures is an important clarification. There was general agreement among table members that water agency decision-makers are not the likely audience for this work. In thinking about creating and investment approach for strategies, the modeling might highlight “no regrets” strategies that help meet demand under several scenarios.

Table 2

- The most important audience will be funding entities, including public-private partnerships.
- What are the right questions that the scenario models can answer? What do we hope audiences will ask?
- Have some statewide capacity to ask “what if” questions. What combinations of things create really bad situations? What combinations give a greater risk of failure? Data has been used and abused. Let’s put our arms around what we do know. What do we need to know in order to take an action? We have to agree what those bookends are. We need to talk about how the delta affect management decisions.

Table 3

- What this document ought to do, is convey a story. Pick the 4 or 5 messages that this document can tell. Use this tool while you have their attention.
- The audiences will want to understand what the suite of RMS options are.

Table 4

- The audiences are: policy makers, decision makers, elected officials (or a combination thereof); and water purveyors, commercial/industrial/institutional water users, and ag users.
- For all of the scenarios, a key question is: Who is going to actually manage this? Policy makers and elected officials will want to look at the current legal and policy framework. The purveyors will want to know about costs. What is the cost on interest groups? What trade-offs are involved? Who is going to finance the future? The PPIC talks about beneficiary pays – who will finance the beneficiary pays?
- What key tradeoffs are involved in trying to address the co-equal goals of sustaining the environment and the economy?

## **FINANCE CAUCUS OVERVIEW**

Kamyar Guivetchi discussed the work to date on the Finance Plan. He noted that there was not shared meaning on what the finance plan should contain. As a result, a Finance Caucus was established to work through items of clarification, to develop shared terms and meanings. This is the first time that the Water Plan has addressed finance. A high-level approach will be used, providing a scope that is broader than estimating costs and identifying funds- roles and responsibilities. Staff developed four questions that have been asked by stakeholders, regarding the Finance Plan:

Given the uncertainty of (and opportunity to inform) future financing of State government Integrated Water Management (IWM) activities and services...

1. What types and magnitude of IWM activities and services should State government provide?
2. What might the range of costs be for State government IWM activities and services?
3. How (and by whom) could State government IWM activities and services be funded?
4. How should the Update 2013 IWM Finance Plan frame/recognize regional and local IWM investments?

The Water Plan is asking the Public and Tribal Advisory Committees to weigh in, and determine if these four questions would be helpful to take back to the Caucus – to have the caucus work on responding to these questions. The goal would be to build on these four questions, then develop an outline of what a finance plan would entail. It was noted that a sub-committee is working on definitions. Public AC members are welcome to participate in the committee themselves, or appoint a representative.

Comment: It is critical to thoroughly evaluate economic proposals.

Comment: Cost-effectiveness and feasibility are important considerations for economic proposals.

Comment: Disadvantaged communities need a voice in economic discussions.

Comment: There is a lot of work that could be integral to these strategies. There has been a problem with long term funding assurances.

## **Attendance (77)**

### **Public Advisory Committee Members and Alternates (32):**

**Dave Bolland**, Association of California Water Agencies  
**Troy Boone**, County of Santa Cruz, Environmental Health Services  
**Karen Buhr**, California Association of Resource Conservation Districts  
**Merita Callaway**, California State Association of Counties  
**Evon Chambers**, Planning and Conservation League  
**Grace Chan**, Metropolitan Water District  
**Grant Davis**, Sonoma County Water Agency  
**Ane Deister**, Entrix  
**Anisa Divine**, Imperial Irrigation District  
**Mark Drew**, CalTrout, Inyo-Mono IRWM  
**Jack Hawks**, California Water Association  
**Al Herson**, American Planning Association  
**John Hopkins**, Institute for Ecological Health  
**David Kennedy**, American Council of Engineering Companies  
**Maria Elena Kennedy**, National American Indian Veterans  
**Karl Longley**, California Water Institute – Fresno  
**Kathy Mannion**, Regional Council of Rural Counties  
**Danny Merkley**, California Farm Bureau  
**John Mills**, Tuolumne-Stanislaus and Upper Feather River IRWMs  
**Valerie Nera**, California Chamber of Commerce  
**Vickie Newlin**, Butte County Dept. of Water and Resource Conservation  
**Tim Parker**, Groundwater Resources Association  
**Wendy Phillips**, League of Women Voters of California  
**Cindy Paulson**, California Urban Water Agencies  
**John Ricker**, County of Santa Cruz, Environmental Health Services  
**Larry Rodriguez**, Kern County Water Agency  
**Mario Santoyo**, California Latino Water Coalition  
**Jennifer Svec**, California Association of Realtors  
**Susan Tatayon**, The Nature Conservancy  
**Iovanka Todd**, Floodplain Management Association  
**Bob Wilkinson**, University of California, Santa Barbara  
**James Waters**, California Waterfowl, California Outdoor Heritage  
**Dan Young**, Surfrider Foundation

**Regional Representatives (5):**

**Dave Eggerton**, El Dorado County Power and Water Authority  
**Barbara Hennigan**, Butte-Sutter Basin Area Groundwater Users  
**Tito Sasaki**, Sonoma County Farm Bureau  
**Bob Siegfried**, Agricultural Water Use Efficiency, SCVWD

**State Agency Steering Committee Members (3)**

**Bruce Gwynne**, Department of Conservation  
**Liz Haven**, State Water Board  
**Darrin Polhemus**, State Water Board  
**Vicky Whitney**, State Water Board

**Other (4)**

**James Cornelius**, Sutter County Resource Conservation District  
**James Fryor**, Integrated Water Resource Conservation Associates  
**Daniel Rockey**, Sherman Valley Rancheria  
**Steven Stadler**, Kings River Conservation District

**Student Participants (19)**

**Erica Bondesson**, UCSB  
**Molly Gordon**, UCSB  
**John Heylin**, Presidio  
**Kellock Irvin**, UCSB  
**Brandon Keedy**, UCSB  
**Sona Lee**, UCSB  
**Chris Maddox**, UCSB  
**Tiffany Mayville**, UCSB  
**John Mehlhaff**, UCSB  
**Zachary Olson**, UCSB  
**Jared Nowe**, UCSB  
**William Radis**, UCSB  
**Rachel Ramos**, UCSB  
**Isaac Reback**, UCSB  
**Matthew Rindermann**, UCSB  
**Matt Schmidt**, UCSB  
**Tiffany Takade**, UCSB  
**Scott Tomkinson**, UCSB  
**Chi Twong**, UCSB

**Speakers (2)**

**Heather Fargo**, California Strategic Growth Council  
**John Lowrie**, Department of Conservation

**Staff (13)**

**Kamyar Guivetchi**, DWR, Chief, Statewide Integrated Water Management  
**Lew Moeller**, DWR, Project Manager, Update 2013

**Jose Alarcon**, DWR, Lead for Water Quality  
**Emily Alejandrino**, DWR, Support for Tribal AC and Environmental Services  
**Tito Cervantes**, DWR, Northern Regional Office  
**Megan Fidell**, DWR, Lead for Resource Management Strategies  
**Chas Grant**, DWR, Public AC Travel Coordinator  
**Ray Hoagland**, DWR, Economist  
**Rich Juricich**, DWR, Lead for SWAN and Analytical Tools  
**Abdul Khan**, DWR, Lead for Groundwater  
**Michael Perrone**, DWR, Lead for Environmental Services  
**Mary Randall**, DWR, Northern Regional Office  
**Fraser Shilling**, UC Davis

Facilitation Team: Katie Cox, Judie Talbot, facilitation support; Stephanie Lucero, Tribal Facilitator; Center for Collaborative Policy, CSU Sacramento; Lisa Beutler, Executive Water Plan Facilitator